

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Tariff Filings of Union)	<u>Case No. ER-2010-0036</u>
Electric Company, d/b/a AmerenUE, to Increase)	Tariff No. Nos. YE-2010-0054
Its Revenues for Retail Electric Service.)	and YE-2010-0055

STAFF’S RESPONSE TO AMERENUE’S TEST YEAR AND TRUE-UP PROPOSALS

COMES NOW the Staff of the Missouri Public Service Commission (Staff), in accordance with the Commission’s July 27, 2009 order in which the Commission directed the Staff, among others, to “file, on or before August 27, 2009, a pleading either indicating concurrence in AmerenUE’s recommended test year or recommending alternatives to that test year” and “a pleading offering a recommendation concerning a true-up,” and states:

1. As the Commission stated in its July 27, 2009 order, “AmerenUE used a historical test year ending March 31, 2009, to be updated for known and measurable changes through February 28, 2010 for purposes of its rate case filing.”

2. Contingent on the parties agreeing to (a) AmerenUE’s recommended test year of the twelve calendar months ended March 31, 2009, (b) the Staff’s proposal of a true-up cutoff of January 31, 2010 made following, and (c) an appropriate procedural schedule, the Staff concurs in AmerenUE’s recommended test year of the twelve calendar months ended March 31, 2009.

3. The Staff proposes the true-up cut-off be January 31, 2010 (ten months after the end of the test year) rather than the February 28, 2010 proposed by AmerenUE based on the following: (a) The date to which the Commission has suspended AmerenUE’s proposed general rate increase, proposed fuel adjustment clause and proposed environmental recovery mechanism tariff sheets is June 21, 2010. (b) The Commission recently has been scheduling in anticipation of issuing its report and order about 30 days in advance of the date to which it has suspended

tariffs. (c) The Commission has scheduled evidentiary hearings the weeks of March 15 and March 22, 2010 and true-up hearing April 12-13, 2010. (d) It is the Staff's experience is that it takes four to six weeks to receive from AmerenUE its end-of-month accounting information (i.e., Staff would receive the information sometime around March 28 to April 11, 2010 for a February 28, 2010 end-of-month). (e) Other than a change in coal prices on January 1, 2010, the Staff is unaware of any significant item that would warrant true-up after December 31, 2009. (f) The Staff does not believe it will be ready for a true-up hearing on the ordered dates of April 12–13, 2010 with a February 28, 2009 true-up cut-off date, since experience informs the Staff that it would not have the information it needs to perform the true-up until the first week of April, 2010, while a true-up cutoff of January 31, 2010 will allow the use of the most current information reasonably available for setting rates and still allowing sufficient time for the Staff, and others, to engage in discovery (formal and informal), perform calculations and still draft testimony and prepare for an April 12-13, 2010 true-up hearing..

WHEREFORE the Staff conditionally concurs in the use of an historical test year of the twelve calendar months ended March 31, 2009, and conditionally recommends a true-up cutoff date of January 31, 2010 rather than the February 28, 2010 date posited by AmerenUE.

Respectfully submitted,

/s/ Nathan Williams

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 27th day of August 2009.

/s/ Nathan Williams